

**Senate File 2104 - Introduced**

SENATE FILE 2104

BY JOCHUM

**A BILL FOR**

1 An Act exempting persons furnishing electricity from solar  
2 energy conversion facilities to designated entities under  
3 specified circumstances from public utility regulation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.1, Code 2011, is amended to read as  
2 follows:

3 **476.1 Applicability of authority.**

4 1. The utilities board within the utilities division of the  
5 department of commerce shall regulate the rates and services of  
6 public utilities to the extent and in the manner hereinafter  
7 provided.

8 2. a. As used in this chapter, "board" or "utilities board"  
9 means the utilities board within the utilities division of the  
10 department of commerce.

11 b. As used in this chapter, "public utility" shall include  
12 any person, partnership, business association, or corporation,  
13 domestic or foreign, owning or operating any facilities for:

14 ~~1.~~ (1) Furnishing gas by piped distribution system or  
15 electricity to the public for compensation.

16 ~~2.~~ (2) Furnishing communications services to the public for  
17 compensation.

18 ~~3.~~ (3) Furnishing water by piped distribution system to the  
19 public for compensation.

20 3. Mutual telephone companies in which at least fifty  
21 percent of the users are owners, cooperative telephone  
22 corporations or associations, telephone companies having ~~less~~  
23 fewer than fifteen thousand customers and ~~less fewer~~ than  
24 fifteen thousand access lines, municipally owned utilities,  
25 and unincorporated villages which own their own distribution  
26 systems are not subject to the rate regulation provided for in  
27 this chapter.

28 ~~This chapter does not apply to waterworks having less than~~  
29 ~~two thousand customers, municipally owned waterworks, joint~~  
30 ~~water utilities established pursuant to chapter 389, rural~~  
31 ~~water districts incorporated and organized pursuant to chapters~~  
32 ~~357A and 504, cooperative water associations incorporated and~~  
33 ~~organized pursuant to chapter 499, or to a person furnishing~~  
34 ~~electricity to five or fewer customers either by secondary line~~  
35 ~~or from an alternate energy production facility or small hydro~~

1 ~~facility, from electricity that is produced primarily for the~~  
2 ~~person's own use.~~

3 4. A telephone company otherwise exempt from rate  
4 regulation and having telephone exchange facilities which cross  
5 state lines may elect, in a writing filed with the board, to  
6 have its rates regulated by the board. When a written election  
7 has been filed with the board, the board shall assume rate  
8 regulation jurisdiction over the company.

9 5. The jurisdiction of the board under this chapter  
10 shall include efforts designed to promote the use of energy  
11 efficiency strategies by rate or service-regulated gas and  
12 electric utilities.

13 6. This chapter does not apply to the following:

14 a. Waterworks having fewer than two thousand customers.

15 b. Municipally owned waterworks.

16 c. Joint water utilities established pursuant to chapter  
17 389.

18 d. Rural water districts incorporated and organized pursuant  
19 to chapters 357A and 504.

20 e. Cooperative water associations incorporated and organized  
21 pursuant to chapter 499.

22 f. Persons furnishing electricity to five or fewer customers  
23 either by secondary line or from an alternate energy production  
24 facility or small hydro facility, from electricity that is  
25 produced primarily for the person's own use.

26 g. Persons furnishing electricity to a political subdivision  
27 of the state, or to an organization qualifying under section  
28 501(c)(3) of the Internal Revenue Code as an organization  
29 exempt from taxation, from a solar energy conversion facility  
30 pursuant to a power purchase agreement whereby the electricity  
31 is used on the real property where the facility is located.

32 EXPLANATION

33 This bill provides that persons furnishing electricity to  
34 a political subdivision of the state, or to an organization  
35 qualifying under section 501(c)(3) of the Internal Revenue Code

S.F. 2104

1 as an organization exempt from taxation, from a solar energy  
2 conversion facility pursuant to a power purchase agreement  
3 whereby the electricity is used on the real property where the  
4 facility is located shall not be considered a public utility  
5 subject to regulation under Code chapter 476.